

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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ZUCHAER & ZUCHAER CONSULTING LLC

Civil Action No.: 20-cv-8703

Plaintiff,

COMPLAINT

v.

PROJECT VERTE INC.

Defendant

.....x

Plaintiff, Zuchaer & Zuchaer Consulting LLC (“Plaintiff” or “Z&Z LLC”), by and through its undersigned attorneys, Rosenberg & Steinmetz PC, brings its Complaint against Defendant Project Verte Inc. (“Defendant” or “Project Verte”), and upon information and belief, states:

SUBJECT MATTER JURISDICTION AND VENUE

1. This Court has subject matter jurisdiction over this action because the controversy exceeds the \$75,000.00 jurisdictional threshold and involves citizens of different states. 28 U.S.C. § 1332.

2. Venue is proper within this district because Defendant maintains offices within the Southern District of New York.

3. Further, the Promissory Note from which this dispute arises designates that it is governed and interpreted in accordance with the laws of the State of New York and Defendant consented in writing to exclusive jurisdiction of a federal or state court in the State of New York, New York County.

PARTIES AND PERSONAL JURISDICTION

4. Plaintiff is a Florida limited liability company duly organized under the laws of Florida, having a principal place of business located at 2701 East Atlantic Blvd, 2nd Floor, Pompano Beach, Florida 33062. Plaintiff's member is a citizen and resident of the state of Florida.

5. Defendant Project Verte is a Delaware corporation organized and existing under the laws of the State of Delaware, having a principal place of office in the City of Atlanta, State of Georgia, with additional offices located at 641 Lexington Avenue, 24th Floor, New York, New York 10022.

6. Personal jurisdiction over Defendant is proper because Defendant operates out of this District and engages in substantial, not isolated, activities within the State of New York and in the Promissory Note at issue Defendant consented in writing to the exclusive jurisdiction of the State of New York.

GENERAL ALLEGATIONS

The Note

7. On or about August 14, 2018, Project Verte purchased all of Z&Z LLC's membership interest in non-party Flowerdale LLC, a Texas limited liability company.

8. As consideration for the Flowerdale LLC membership interest, Project Verte agreed to pay Z&Z LLC one hundred dollars (\$100.00) and to give to Z&Z LLC a promissory note in the principal amount of four million dollars (\$4,000,000.00).

9. On August 17, 2018, Project Verte executed a promissory note, through which it promised to pay Z&Z LLC the principal amount of four million dollars (\$4,000,000.00) plus interest at a rate of three percent (3%) per year, and default interest a rate fourteen percent (14%) per year, on or before its maturity date (the "Promissory Note"). The maturity date on the

promissory note was initially August 17, 2019. A copy of the Promissory Note is attached as Exhibit A.

10. On or about January 24, 2019, Project Verte requested that Z&Z LLC extend the maturity date in the Promissory Note to August 17, 2020.

11. Z&Z LLC consented to Project Verte's extension request provided that Project Verte sign a letter agreement and "remakes all representations and warrantied contained in the [Promissory] Note." Project Verte and Z&Z LLC executed this letter agreement on or about February 11, 2019. A copy of the letter agreement is attached as Exhibit B.

12. The maturity date on the Promissory Note, as extended, has passed and Project Verte has failed to pay Z&Z LLC the amounts due under the Promissory Note.

13. Project Verte's failure to pay the principal amount due plus interest on or before August 17, 2020 was an Event of Default under the Promissory Note and has accrued and continues to accrue interest at fourteen percent (14%).

14. The Promissory Note was not conditioned on any performance by Plaintiff.

15. The Promissory Note provides: "This Note contains the entire agreement between [Plaintiff] and [Defendant] with respect to the Note, and supersedes every course of dealing, other conduct, oral agreement and representation previously made by [Plaintiff]."

16. To date, Project Verte has failed to pay the amounts due under the Promissory Note.

17. The Promissory Note provides that "it will be deemed to be made in the State of New York"..."interpreted in accordance with the laws of the State of New York excluding its conflict of law rules."

18. The Promissory Note provides that Project Verte "irrevocably consents to the exclusive jurisdiction of any state or federal court in New York State in New York County" and

“waives any objection to venue and any objection based on more convenient forum in any action instituted under this Note.”

COUNT I

CLAIM FOR RELIEF – BREACH OF PROMISSORY NOTE

19. Plaintiff incorporates and re-alleges Paragraphs 1 through 18 as if fully set forth herein.

20. Defendant Project Verte has failed to pay the principal amount due under the Promissory Note plus interest on or before the maturity date, as extended.

21. Project Verte’s failure to pay the principal amount due plus interest due under the Promissory Note is a material breach of the Promissory Note.

22. Z&Z LLC is entitled to judgment against Project Verte awarding Z&Z LLC damages arising from Project Verte’s material breach and default in accordance with the provisions of the Promissory Date.

23. To date, Z&Z LLC’s damages recoverable under the promissory note exceed \$4,240,000.00, plus default interest from the maturity date, which continues to accrue.

WHEREFORE, Plaintiff Z&Z LLC is entitled and hereby demands entry of judgment against Project Verte Inc. awarding Z&Z LLC damages in accordance with the terms of the Promissory Note, which exceeds \$4,240,000.00 plus default interest from August 17, 2020 at 14% annually, which continues to accrue; and granting Z&Z LLC such other and further relief as the Court deems just and proper.

Dated: October 19, 2020

Respectfully Submitted,

/s/ Rachelle Rosenberg

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